

Received &amp; Inspected

AUG 19 2009

FCC Mail Room

**Swamp City Productions**

440 Sawgrass Corporate Parkway, Suite 102

Sunrise, FL 33325

(954) 845-7110

**PETITION FOR TEMPORARY EXEMPTION FROM THE CLOSED  
CAPTIONING REQUIREMENTS ON THE BASIS OF UNDUE BURDEN****BACKGROUND**

Swamp City Productions is a small (under 10 on staff) production company located in Sunrise, Florida that airs national and regional programming. We opened our doors for business in August 2007. Since that time, we have aired only three (3) series of programs – from the start, we incurred charges for closed captioning. We had originally submitted an exemption from closed captioning for our first three series, Sunday Stays & Getaways, The Life for Me, and What the Stuff Outdoor Adventure. Due to the economic downturn, we will likely be discontinuing the programs of Sunday Stays & Getaways and The Life for Me in the near future. Instead, we will be working on producing two new programs titled What the Stuff Toy Review (WTS Toy Review) and What the Stuff Baby Boomers (WTS Baby Boomers). While these programs are intended to air on a national basis – each episode will only air a maximum of three (3) times (sometimes one or two airings are “overnights”). As a company, our primary focus is providing our show participants with a well-produced video segment for streaming on the Internet, not necessarily for national airing.

As we continue in the process of producing these segments and programs, we have recognized the need to vastly reduce costs in order to make ends meet and have a viable company for the future. Although we have complied previously with the closed captioning requirements early on, due to financial restraints, we need time and a larger and more stable client base to help us allow for this. Nearing the second anniversary of this business, Swamp City Productions has not yet begun to turn a profit. Additionally (and luckily), the facility which we own has been mortgaged through family members and we have extended working “mortgage-free” as a way to help us get ourselves established. In the near future we will need to begin to pay mortgage, which, based on current financial figures, will severely cut any cash flow. Currently, company owners are only taking minimum wage for pay to help keep the company afloat.

**REASONS: WHY CLOSED CAPTIONING IMPOSES AN UNDUE BURDEN AS A  
VIDEO PROGRAMMING PRODUCER**

Multiple reasons exist as to why requiring closed captioning for Swamp City Productions' programming creates an undue burden:



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- **Nature and cost of the closed captioning for the programming.**

Our programs consist of multiple segments with interviews and voiceovers. All segments include an 800 number and/or website that appears twice within the segment on the lower third of the screen for viewers to obtain further information. Additionally, at the end of the program the show's website is also set as a slate on screen so that viewers can find all companies featured in the show on-line.

In order to prepare the program to send to a closed captioning facility, an assistant on the Swamp City Productions team has to watch and script the entire program. Since we are unable to afford to hire someone to be on staff to do this job role, we take an assistant away from dealing with client relations, answering the phone and other secretarial duties to do this task. Following the exemption period, Swamp City Productions hopes to have an additional person on staff and this task would be part of the job requirement.

Once the program is scripted, it is sent to a local facility to encode with the closed captioning and tapes are then dubbed at that facility to send to stations/networks. In some cases, multiple copies are necessary to provide multiple local stations with the program – we do not have the capability to dub the tapes with closed captioning in house, therefore, it causes an additional expense for each of these tapes. The total cost for our first program was **\$537.25** through the video service (see APPENDIX A for a copy of the invoice). The entire show only cost in total \$13,000 to video, script, voiceover, edit and air the entire show (with closed captioning; therefore, closed captioning consisted of 4% of the program's budget). Additionally, please note that credit has not been established with the video production service providing the closed captioning encoding, therefore, it must be paid cash in advance.

We have also investigated purchasing a compatible DVC deck (which allows for encoding), as well as encoding and diction software. The costs of these two necessary products would amount to over \$15,000 – far out of the budget at the moment.

- **The impact on the operation of the provider or program owner.**

As a fairly new production facility, Swamp City Productions is trying to become self-sufficient from script-to-screen. In order to keep costs at a minimum and provide a valuable product to our clients, it is necessary to be able to keep all tasks possible in-house. By outsourcing closed captioning to a local facility, we are leaving room for error, as well as possibly allowing for airing delays should the facility not provide tapes within a timely manner (which happened the first time around, hence the discount of \$57 in APPENDIX A).

- **Type of operations of the provider or program owner.**

Swamp City Productions strives to create feature segments for clients to air at trade shows or via the Internet. Our national/regional broadcast airings are meant to supplement this videography usage. While these programs do air nationally and/or regionally, the main focus of our business is to provide clients with one (1) to five (5) minute segments highlighting their business for use through alternate means than broadcast or cable television. Please see APPENDIX B for the company's profit and loss statement since the business' inception.

- **Availability of phone number/website for viewer to call or review to obtain further information.**

For each segment produced within a program, the participant's phone number and/or website is shown in a lower third graphic to send the viewer somewhere to obtain further information. Additionally, at the end of the program, viewers are directed to the program's website, as well as Swamp City Productions website to find more information and links to the products/locations reviewed within the program. Should anyone write in to our email info lines via the websites for a transcript of the program, we would be happy to provide it as soon as it could be transcribed.

As a company, we understand the FCC reviews each petition individually. Following you will find our detailed request which provides benchmarks that will help minimize the burden of compliance with the rules set forth by the FCC.

## **PETITION REQUEST**

At this time, Swamp City Productions is seeking an additional two (2)-year exemption from providing closed captioning on the programs our company produces. Following this two-year period we hope to have funds in reserve that will either allow us to pay a closed captioning house or invest in the technology to do it ourselves on each program. If we are unable to afford either of these options at that time, we will consider re-petitioning.

We feel we should be granted a temporary exemption until August 31, 2011 for the following reasons:

1. We do have plans of complying with the FCC's requirements as soon as budget allows. This request is not for a permanent exemption, just for a period of time to allow the company time to establish clientele.
2. The extension will allow the company time to establish clientele, as well as research technology available, and purchase the appropriate equipment as budget allows. Due to the economic downturn, it is difficult to substantiate the need for closed captioning versus employing the jobless and building a successful small business.



3. If we are able to purchase the equipment, we would also like to have the ability to provide other local companies with this service. This may make it affordable for other small companies like ourselves to be able to comply with FCC requirements.

## **SUMMARY**

As an up-and-coming full service production facility we have every intention of becoming capable to encode our programs in-house with closed captioning in future years. As with any business, it takes time to build the core of the business first, then, as budgets allow, we will add peripherals. While the closed caption audience are certainly of value as potential viewers of our programs, we must first get over the hurdle of signing on clients that can share in this commitment.

Should the FCC decide to provide us with this temporary exemption, and Swamp City Productions becomes the viable company we believe it can be, we will stand by our word and find a way to provide closed captioning on our programming beginning September 1, 2011.

# AFFIDAVIT

State of Florida  
County of Broward

BEFORE ME, the undersigned Notary,  
Zaida Barranco, on this 17<sup>th</sup> of August,  
2009, personally appeared Jeffrey Abrams and Samara Abrams, personally known to  
me to be a credible people and of lawful age, who being by me first duly sworn, on her  
oath, deposes and says:

The information included in Swamp City Productions request for temporary closed  
captioning exemption dated August 17<sup>th</sup>, 2009, is true and accurate to the best of their  
knowledge.

JA  
Jeffrey Abrams, President, Swamp City Productions

Samara Abrams  
Samara Abrams, Secretary/Treasurer, Swamp City Productions

440 Sawgrass Corporate Parkway, Suite 102  
Sunrise, FL 33325

Subscribed and sworn to before me, this 17<sup>th</sup> day of August, 2009.

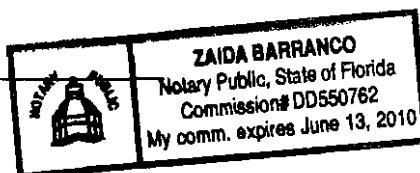
Notary Seal:

[Signature]  
Signature of Notary

Name of Notary

NOTARY PUBLIC

My commission expires: June 13, 2010



Presented ID # FLDL = A-165-797-76-565-0  
FLDL = A-165-433-75-350-0



## APPENDIX A

### Invoice for Closed Captioning



Accord Productions, Inc.  
2140 South Dixie Highway, Ste 301  
Miami, Florida USA 33133  
305-856-1245 Fax 305-856-9101

6282 North Andrews Avenue  
Fl Lauderdale, Florida USA 33309  
954-771-0740 Fax 954-771-1341

www.accordproductions.com

TIN: 65-0045546

## Invoice

Page 1 of 1

**SWAMP CITY PRODUCTIONS**  
ATTN: JEFF ABRAMS  
440 SAWGRASS CORPORATE PKWY, SUITE 102  
SUNRISE, FL 33325

**Invoice #:** 2-188719  
**Invoice Date:** 12/11/2007  
**Terms:** DEPOSIT ON FILE

954-845-7110 Fax 954-845-7117

Job Name: SUNDAY STAYS & GETAWAYS	Job #:	P.O. # J. ABRAMS			
Description	Qty	Rate	Discount	Tax	Total
Work Order #2-52547      Job Date: 12/7/2007					
CLOSE CAP/SUB TITLE/ 28-30 MIN SUPPLIED TRANS	1.00	350.00 /Unit	52.50	0.00	297.50
KAISER, JIM	4.00	0.00 /Hour		0.00	0.00
SONY BCT-D32 DIGITAL BETA TAPESTOCK	1.00	35.00 /Unit	5.25	1.79	29.75
BETACAM SP (6-10) COPIES 21-30 MINUTES W/SONY	6.00	35.00 /Unit		12.60	210.00
KAISER, JIM	4.00	0.00 /Hour		0.00	0.00

Discount cc , client experienced many interruptions due to lack of personnel./cw  
PAID CK# 1036

1 DIGIBETA NTSC MASTER RT:28MIN TO 1 DIGIBETA NTSC CLOSED CAPTIONED MASTER  
AND 6 BETASP NTSC COPIES W/CC.

\*\*\*CLOSED CAPTIONED BY:JIM KAISER\*\*\*

RB/CB:JK

Q:3/2

AS:1 BCT-D40 AND 6 BCT-30'S

\*\*\* JKAISER - Friday, December 07, 2007 1:30 PM \*\*\*

**Total Discount 57.75**

We Accept : AMEX, VISA & MasterCard Credit Cards

Questions about your account ?  
Call AntoinetteRey at 305-856-1245 ext. 1007 or e-mail arey@accordvideo.com.

<b>Subtotal</b>	537.25
<b>Tax</b>	14.39
<b>Deposit (if any)</b>	551.64
<b>Invoice Total</b>	0.00



## APPENDIX B – CONFIDENTIAL

1:42 PM

06/02/09

Accrual Basis

### Swamp City Productions, Incorporated

### Profit & Loss

September 2007 through December 2009

	Sep '07 - Dec 09
Ordinary Income/Expense	
Income	
Sales	602,940.00
Uncategorized Income	0.00
Total Income	602,940.00
Cost of Goods Sold	
Commissions Paid	92.35
Media Purchased for Clients	54,949.25
Total COGS	55,041.60
Gross Profit	547,898.40
Expense	
Bad Debt Expenses	10,900.00
Bank Service Charges	107.15
Business Licenses and Permits	300.00
Computer and Internet Expenses	13,734.77
Insurance Expense	
General Liability Insurance	1,345.89
Health Insurance	52,217.00
Insurance Expense - Other	1,811.00
Total Insurance Expense	55,373.89
Local Taxes & Licenses	683.89
Marketing Expense	8,653.11
Meals and Entertainment	1,290.20
Miscellaneous Expense	671.75
Office Supplies	2,722.45
Payroll Expenses	
Other	3,916.50
Payroll Taxes	76,349.75
Salaries/Wages	249,049.12
Workers Comp	1,604.08
Payroll Expenses - Other	0.00
Total Payroll Expenses	330,919.45
Postage and Delivery	665.33
Production Costs	40,481.78
Reconciliation Discrepancies	0.00
Repairs and Maintenance	25,440.83
Taxes - Property - Real Estate	
Taxes - Personal Property	114.12
Taxes - Property - Real Estate - Other	5,959.63
Total Taxes - Property - Real Estate	9,073.75
Telephone Expense	16,409.95
Travel Expense	10,163.19
Utilities	5,152.44
Total Expense	533,723.93
Net Ordinary Income	14,174.47
Other Income/Expense	
Other Expense	
Ask My Accountant	2,426.05
Total Other Expense	2,426.05
Net Other Income	-2,426.05
Net Income	11,748.42

